

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7140

BILL NUMBER: SB 315

DATE PREPARED: Feb 15, 2002

BILL AMENDED: Feb 14, 2002

SUBJECT: Marion County Small Claims Court Fees.

FISCAL ANALYST: Mark Goodpaster

PHONE NUMBER: 232-9852

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill has the following provisions:

(A) It requires the Marion County small claims court to collect a document fee, an automated record keeping fee, and a late fee.

(B) It raises the automated record keeping fee to \$5.00 on July 1, 2002, and to \$7.00 on July 1, 2003.

Effective Date: July 1, 2002.

Explanation of State Expenditures:

Explanation of State Revenues: *Summary:* This bill is estimated to result in added revenue of \$3.3 M in FY 2003 and \$5.4 M in FY 2004 and each subsequent fiscal year that would be deposited in the State User Fee Fund.

Provision A: Under current law, the automated record keeping fee is not assessed in Marion County small claims courts. Consequently, the revenue estimate is based on a \$5 fee payable in FY 2002 and a \$7 fee payable in FY 2003 and each subsequent fiscal year. These estimates are based on annual filings of 74,000 in Marion County's small claims courts and a 100% collection rate.

Provision B: Trial courts and city and town courts currently charge a \$2 automated record keeping fee. This fee would be increased to \$5 for FY 2003 and \$7 for each subsequent fiscal year. The revenue estimate shown in the following table is based on a \$3 increase for FY 2003 and a \$5 increase in FY 2004 and each subsequent fiscal year. (Additional details on how these revenue estimates were made are available in the Office of Fiscal and Management Analysis.)

<u>Added Revenue From:</u>	<u>FY 2003</u>	<u>FY 2004</u>
Marion County Small Claims Courts	\$370,000	\$518,000
Trial Courts	\$2,450,407	\$4,084,011
City and Town Courts	<u>\$511,022</u>	<u>\$851,703</u>
Totals	<u>\$3,331,429</u>	<u>\$5,453,714</u>

Background: Proceeds from the Automated Record Keeping Fee are deposited in the State User Fee Fund. A residual of the State User Fee Fund is transferred into the Judicial Technology and Automation Project Fund. The fund is used for financing improvements in the automation of information for the state court system. This fund was established in July 2001. The Division of State Court Administration reported that the fund received \$455,483 for the period between July 1 and December 31, 2001.

Explanation of Local Expenditures:

Explanation of Local Revenues: The Document Fee is \$2. Based on annual filings of 74,000 in Marion County's small claims courts and a 100% collection rate, this bill could generate an additional \$148,000. Proceeds from this fee are deposited in the Clerk's Record Perpetuation Fund to preserve court records and improve record keeping systems and equipment.

A late fee of \$25 would be charged when a plaintiff or defendant fail to pay any fees before a court-imposed deadline. Proceeds from any late fees would also be deposited in the Clerk's Record Perpetuation Fund.

State Agencies Affected: Auditor of the State.

Local Agencies Affected: Marion County small claims courts.

Information Sources: *2000 Indiana Judicial Report.*